

## **MINUTES**

### **MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** By **CHAIRMAN BOB DEPRATU**, on March 10, 2003 at 8:05 A.M., in Room 405 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Bob DePratu, Chairman (R)  
Sen. Bob Story Jr., Vice Chairman (R)  
Sen. Jerry W. Black (R)  
Sen. John C. Bohlinger (R)  
Sen. Jon Ellingson (D)  
Sen. Jim Elliott (D)  
Sen. Bill Glaser (R)  
Sen. Dan Harrington (D)  
Sen. Walter McNutt (R)  
Sen. Mike Taylor (R)  
Sen. Ken Toole (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** Lee Heiman, Legislative Branch  
Shirley Herrin, Committee Secretary

**Video-taped Committee:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. A video-taped recording of the meeting is available from the Montana Historical Society.

**Committee Business Summary:**

Hearing & Date Posted: SB 467, 3/3/2003; SB 468, 3/3/2003;  
SB 469, 3/3/2003; SB 470, 3/3/2003

Executive Action:

**CHAIRMAN DEPRATU** asked the committee to allow **SEN. GREGG BARKUS** five minutes to address a sales tax proposal that he would like to present to the committee in its draft form. **EXHIBIT (tas50a01)**

**HEARING ON SB 467**

**Opening Statement by Sponsor:**

8:20       **SEN. JIM ELLIOTT, SD 36, Trout Creek**, "Adjustment of guarantee tax base payments for successful property tax protest".

**Proponents' Testimony:**

8:23       Jerry Pauli, Thompson Falls Schools Superintendent,  
**EXHIBIT(tas50a02) EXHIBIT(tas50a03)**  
8:27       Bob Vogel, MT School Boards Assoc.  
8:28       Eric Burke, MEA/MFT

**Opponents' Testimony:**   None

**Informational Witnesses:**

8:30       Marilyn Quinlan, Chief of Staff OPI, **EXHIBIT(tas50a04)**

**Questions from Committee Members and Responses:**

8:35       Begin  
8:48       **SEN. JOHN BOHLINGER** questioned Gordon Morris, MACo  
8:49       **SEN. BOB STORY** questioned Gene Wilborn, Dept. of  
            Revenue  
8:51       Ended  
11 min     Time elapsed.

**Closing by Sponsor:**

8:52       **SEN. ELLIOTT** closed on SB 467.

**HEARING ON SB 470**

**Opening Statement by Sponsor:**

8:57       **SEN. JEFF MANGAN, SD 23, Black Eagle/Great Falls**, "4% sales and use tax; property tax reduction; individual income tax reduction". **EXHIBIT(tas50a05) EXHIBIT(tas50a06)**

**Proponents' Testimony:**

9:03       Erik Burke, MEA/MFT  
9:04       Ronda Carpenter, Great Falls Area Chamber of Commerce,  
            MT Coin Machine Operators Assoc.  
9:05       Gordon, Morris, Helena, Self  
9:10       Tom Harwood, Toole County, Self **EXHIBIT(tas50a07)**  
9:14       Mary Whittinghill, MT Taxpayers Assoc.  
9:15       Webb Brown, MT Chamber of Commerce

**Opponents' Testimony:**

9:16 Verner Bertelsen, MT Senior Citizens Association  
9:17 Gene Fenderson, MT Progressive Labor Caucus  
9:20 Bob Holmes, Helena, Self

**Questions from Committee Members and Responses:**

9:23 Begin  
9:44 Ended  
21 min Time elapsed.

**Closing by Sponsor:**

9:44 **SEN. MANGAN** closed on SB 470.  
  
9:51 **CHAIRMAN DEPRATU** called for a short break.

**HEARING ON SB 469**

**Opening Statement by Sponsor:**

10:00 **SEN. JIM ELLIOTT, SD 36, Trout Creek** "Specific notice for paying property tax under protest".

**Proponents' Testimony:**

10:05 Tom Ebzery, Billings, AVISTA,  
10:08 Betty Beverly, Exec. Dir., MT Senior Citizens Assoc.

**Opponents' Testimony:**

10:09 Mary Whittinghill, MT Taxpayers Assoc., opposes the bill in its current form.  
10:10 Ronda Carpenter, MT County Treasurers Assoc. opposes the bill in its current form.

**Questions from Committee Members and Responses:**

10:12 Begin  
**CHAIRMAN DEPRATU** questioned Gene Walborn, Dept of Revenue.  
10:16 Ended  
4 min Time elapsed.

**Closing by Sponsor:**

10:16 **SEN. ELLIOTT** closed on SB 469.

**HEARING ON SB 468**

**Opening Statement by Sponsor:**

10:19 **SEN. DAN HARRINGTON, SD 19, Butte** "10% surtax on individual income taxes and corporation license tax".  
**EXHIBIT(tas50a08) EXHIBIT(tas50a09)**

**Proponents' Testimony:**

10:29 Erik Burke, MEA/MFT  
10:33 Gene Fenderson, MT Progressive Labor Caucus  
10:37 Verner Bertelsen, Self  
10:38 Del Lonquist, AARP  
10:39 Bob Holmes, Self  
10:40 Sarah Cobler, Assoc. Students of Montana

**Opponents' Testimony:**

10:42 Tom Harwood, Toole County, Self **EXHIBIT(tas50a10)**  
**EXHIBIT(tas50a11)**  
10:50 Mary Whittinghill, MT Taxpayers Association  
10:51 Webb Brown, MT Chamber of Commerce  
10:52 Riley Johnson, National Federation Independent  
Businesses  
10:53 Charles Brooks, Billings Chamber of Commerce  
10:55 Nancy Schlepp, MT Farm Bureau  
10:55 Carl Schweitzer, Kalispell & Bozeman Chambers of  
Commerce

**Questions from Committee Members and Responses:**

10:56 Begin  
11:02 Ended  
6 min Time elapsed.

**Closing by Sponsor:**

11:02 **SEN. HARRINGTON** closed on SB 468.

**CHAIRMAN DEPRATU** requested permission from the committee to move SB 301 into the sub-committee on SB 407. Committee members agreed to do so.

**ADJOURNMENT**

Adjournment: 11:10 A.M.

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SEN. BOB DEPRATU, Chairman

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SHIRLEY HERRIN, Secretary

BD/SH

**EXHIBIT (tas50aad)**